

Heber City Corporation  
City Council Meeting  
June 4, 2015  
6:00 p.m.

WORK MEETING

The Council of Heber City, Wasatch County, Utah, met in **Work Meeting** on June 4, 2015, in the City Council Chambers in Heber City, Utah

I. Call to Order  
City Manager Memo

Present: Mayor Alan McDonald  
Council Member Jeffery Bradshaw  
Council Member Erik Rowland  
Council Member Heidi Franco  
Council Member Kelleen Potter (arrived at 6:03 p.m.)

Excused: Council Member Robert Patterson

Also Present: City Manager Mark Anderson  
City Recorder Michelle Kellogg  
City Engineer Bart Mumford  
City Planner Anthony Kohler  
Police Sergeant Jeremy Nelson

Others Present: Carl R. Collett, Matt Hansen, Stephen Henderson, George Bennett, Guy Collett, Ryan Starks, Mel McQuarrie and others whose names were illegible.

1. George Bennett, Discuss Impact Fees for Proposed Hotel  
Best Western Correspondence re Impact Fees  
Impact Fee Estimate  
Starks Report

George Bennett addressed the Council and turned the time over to Stephen Henderson, an investor that proposed building a hotel in Heber.

Council Member Potter arrived at 6:03

Henderson read from a hotel feasibility study which indicated the project was feasible and would be profitable within three to five years. He and his partners felt the hotel would do better than the mediocre rating during the first three years as shown in the study, but they couldn't discredit the study altogether. He reviewed some of the expenses, including the impact fees, that this project would incur and compared Heber City's fees to those of other cities such as Roosevelt and

Vernal. Henderson stated his first choice was to locate in Heber, and he hoped in meeting with the City, a number could be reached that would satisfy both parties with regard to the impact fees.

Council Member Rowland asked how there could be such a difference between impact fees in Roosevelt and Heber, noting that Roosevelt's impact fees were \$50,000 and Heber's impact fees were \$450,000. Mumford stated each city had different circumstances, such as getting water from a well versus treatment plants. Some cities offered all services, some contracted with other entities for services. For these reasons, cities couldn't be compared by impact fees alone. He also explained the process for determining the impact fees and stated if a city had a lot of projected growth, the fees would be higher. Council Member Rowland asked if the impact fees could be collected over time, or would they have to be paid before the project started. Anderson stated the City hadn't historically offered delayed payments. Guy Cottell indicated that if the hotel went out of business before the impact fees were paid, a lien could be placed on the property to ensure the City received its money. After more discussion on paying fees over time, Mumford acknowledged that in recalculating the impact fees, he had trimmed 25% from the sewer impact fee and water right requirement.

Ryan Starks asked the Council to consider a hotel and listed the economic benefits it would bring to the City. Council Member Franco suggested that Henderson go to the Heber Valley Special Service District and request a reduction on that impact fee. She also commented that she was not opposed to prorating the impact fees over a three to four year period. Mayor McDonald indicated that the Council would meet with staff and hopefully work out a plan that was advantageous to both parties. This item was moved to the next work meeting for further discussion. Council Member Rowland asked what the timeline was for this project. Henderson replied that he would like to start construction in early fall so the hotel could be open by Memorial Day 2016.

## **2. [Mike Swallow, Personnel Systems and Services, Review Compensation Study 2015 Compensation Study](#)**

Anderson explained that the City initiated an employee salary study with Swallow in the fall of 2011, and implemented the recommendations in January, 2012. The City recently contracted with Swallow to reevaluate the employee pay grades in order to make sure they were still in line with the job market. Swallow presented an extensive list of cities that Heber was compared to. He reviewed that the rank and file jobs were at healthy pay grades, and the mid and upper management pay grades were a little behind the market. Going forward, Swallow recommended preparing a timeline for pay adjustments.

Anderson asked if the Council was comfortable adjusting the top six pay grades as Swallow recommended. Council Member Franco stated she calculated the data for same size cities and saw that the City Manager made less than similar sized cities. There was some discussion about the current City pay grade scale. Swallow stated he gave a lot of tools to the City to manipulate in order to come up with a plan that would be acceptable to all. Council Member Rowland was interested in knowing how the employee wage fared with cities that had a similar cost of living. Swallow stated the cost of living impacted different segments of the community in different ways. He felt housing would be the biggest difference in a cost of living comparison.

Anderson asked if he should incorporate the higher pay scale into the budget. Council Member Bradshaw stated that realigning the pay grades to be competitive in the job market was the reason for the study. He noted there were only a few employees that needed wage adjustments, and asked about the cost of making those adjustments. Anderson estimated the wage and benefit adjustments would cost approximately \$11,000 per year. Council Member Bradshaw felt that was not significant and was in favor of including the wage adjustment cost into the budget. Some on the Council were not ready to approve adjusting the wages until they could study the figures in more depth. Mayor McDonald indicated the cost should be left out of the budget until the other Council members had a chance to review the numbers further.

### 3. Discuss Amending Heber City's Land Use Map Landuse Map Amendment

Kohler stated the Planning Commission recommended an amendment to the current land use map based on the Strawberry Annexation petition and a large commercial area to the north of town. Anderson stated it was not traditional to charge TDR to commercial entities because density bonuses were unnecessary.

Justin Johnson stated he started the annexation process last September, and explained the plan for a proposed subdivision. Council Member Franco asked if there would be a berm or fence between the subdivision and the commercial property. Johnson stated there would be a berm and a trail, and indicated if the land use map changed as recommended, his subdivision design would change to allow for open space. The Council was in favor of changing the land use map as proposed. This item was moved to the next regular meeting to consider approval.

### 6. Review Proposed Memorandum of Understanding (MOU) and Draft Request for Proposals (RFP) for Transfer of Development Rights (TDR) Staff Memo re TDR Program Proposed Memorandum of Agreement re TDR Draft Request for Proposals for Transfer of Development Rights

Kohler expressed his hope that the Council could move this item to the next regular meeting so a consultant could be hired as soon as possible to check the feasibility of TDR. He asked the Council if they were comfortable with the wording in the proposal. The Council was in favor of moving this item to the next regular meeting. Mayor McDonald asked that one Council member and one staff member be assigned to this study group. It was decided that Council Member Bradshaw and Tony Kohler would be working in this group. Council Member Franco was concerned with the draft request and pointed out a few typographical errors. She also suggested that the consultant should give a formal presentation, and consult with the different councils in the valley on carrying the proposal through by drafting ordinances, etc. Kohler stated another process would be started for implementation because that would take different areas of expertise.

Kohler also asked what the Council's vision was for annexations during the TDR study process. Council Member Bradshaw asserted the annexation process should continue and not be put on hold because of the TDR study. If a conclusion was made prior to annexation, discussions could be had at that point. Anderson stated language could be included in the annexation agreement

with regard to the TDR study, but there could be a risk that such language would deter potential entities from annexing. Kohler received direction to proceed with the current annexation petitions.

4. Discuss Proposed Amendments to Chapter 5.05, Solicitors, Peddlers, Vendors, and Transient Salesman (Transient Sales), Section 5.05.030, Definitions; and Section 5.05.080, Written Disclosures, of the Heber City Municipal Code  
Proposed Amendments to Heber City Municipal Code §5

Kohler summarized that many cities were sued by solicitors and so a generic ordinance was drafted to protect cities from lawsuits. The proposed changes would help Hansen since she was the only employee that worked on business licenses. Council Member Rowland suggested that language be added to define a time limit to processing solicitor licenses. It was decided that this item would be brought back to the next work meeting in redline strikeout form.

5. Review Utah League of Cities and Towns Draft HB362 Resolution  
Draft Resolution

Anderson stated the Utah League of Cities and Towns (ULCT) sought feedback from cities that supported the bill to assess a transportation tax. Council Member Potter indicated she was reluctant to put this on the ballot alongside a \$60 million school bond. Council Member Rowland stated he personally agreed with the tax but he didn't like the language talking about healthy lifestyles because government should not dictate lifestyles. Council Member Franco asked how much revenue the tax would bring to the City annually. Anderson estimated the revenue at \$209,000. The Council was not in favor of passing the resolution at this time. Mel McQuarrie indicated there were going to be some shortfalls in state revenue, and the state was trying to give more latitude to the local cities to fund different transportation projects.

7. Review Memorandum of Agreement between Heber City and Three Strings Holdings  
Three Strings MOU  
Revised Three Strings MOU

Anderson noted that the addition in the revised agreement was the parcel that abuts Daniel Road would be 25.88 feet wide. He and Mark Smedley met with Three Strings yesterday, who expressed their frustration with the delay in the sale of this property. Anderson explained he was waiting for the traffic study before acting. A draft of that study came today, and he summarized his interpretation of it. Mumford felt discussions should take place before making a final statement pertaining to the study. He stated if the study indicated a bypass was not necessary, then it would be a local road and the developer would be responsible for putting that road in. Mumford stated the Memorandum of Understanding (MOU) was written to define a time limit for selling the property. He wanted to present the results of the study at the next Council meeting. The Council was not in favor of signing the Memorandum of Understanding.

With no further business, the meeting was adjourned.

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Michelle Kellogg, City Recorder